

ATTACHMENT 2

PROGRAM DESCRIPTIONS

2003 IOU STATEWIDE PROGRAMS

1. Single-Family Energy Efficiency Rebate Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Residential
Approved Budgets by Service Territory	SoCalGas: \$2,880,965 SCE: \$6,000,000 SDG&E: \$3,979,000 <u>PG&E: \$14,500,000</u> Total: \$27,359,965

PROGRAM DESCRIPTION:

The Single-Family Energy Efficiency Rebate (Single-Family Rebate) program targets all market actors in the residential energy efficiency retrofit and renovation product supply chain to increase market penetration of related products. The program includes (1) customer rebates, (2) customer information and education, and (3) marketing and outreach to manufacturers, retailers, and distributors.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Hard-to-Reach Targets
PG&E	\$14,500,000	16,248,597	22,217	3,250,342	35% of Payments and Savings
SCE	\$6,000,000	17,025,886	11,803	NA	34% of Applications
SDG&E	\$3,979,000	8,332,654	4,038	476,998	60% of Applications
SCG*	\$2,880,965	2,675,121	758	952,328	23% of Applications
TOTAL	\$27,359,965	44,282,258	38,816	4,679,668	NA

*SCG's budget excludes \$61,035 in MA&E costs, which SCG mistakenly included in its budget proposal.

APPROVED PROGRAM MODIFICATIONS:

	2003 IOU Requested Budget	2002 Authorized Budget (2Q-4Q)	Approved 2003 Budget
PG&E	\$21,386,000	\$13,416,000	\$14,500,000
SCE	\$6,000,000	\$5,850,000	\$6,000,000
SCG	\$2,880,965	\$2,598,000	\$2,880,965
SDGE	\$3,979,000	\$3,197,000	\$3,979,000
Total	\$34,245,965	\$25,061,000	\$27,359,965

New Measure - High Efficiency Electric Water Storage Heaters

Customers receive incentives when they replace old electric water heaters with electric water heaters with energy factors of at least 0.91. Customers using gas water heaters are not eligible for this incentive. The IOUs proposed incorporating this measure into their residential rebate program in order to accommodate customers with all electric homes.

Increased Measure Option – Thermostatic Expansion Valve (TXV)

Customers will be entitled to apply for a \$25 rebate for installing thermostatic expansion valves (TXV) when they install new Energy Star qualified central air conditioners or heat pumps at the Tier One level. This option was not previously available for purchase of Tier One products. The modification recognizes that TXVs sustain product efficiency after installation.

Increased Rebates – Whole House Fans and Pool Pumps/Motors

IOUs will increase rebates for whole house fans and single-speed pool pump & motor replacements by \$25.00 and for dual-speed pool pump & motor replacements by \$50.00. The IOUs proposed the increase to stimulate demand for these products because applications for them fell in PY2002.

Consistent Installation Standards – Pool Pumps/Motors

SDG&E proposes to reduce the requirements for pool pumps and motors to achieve statewide consistency. Specifically, SDG&E proposes to eliminate the requirements of (1) peak shifting and (2) reduction of filtering time.

While statewide consistency is one program objective, it should not take precedence over goals relating to energy savings and cost-effectiveness. For that reason, we will deny SDG&E's proposal to eliminate its peak shifting and filtering time standards and instead require the other IOUs to adopt the standards used by SDG&E in 2002.

All IOUs shall maintain the unit goals proposed for PY2003. Their future quarterly reports should include kW and kWh projections corrected for the increased standard. The entries for those measures should be accompanied by an explanation of how the numbers were changed from the filed implementation plans.

Reductions to PG&E's Administrative Budget

PG&E has allocated a significantly smaller proportion of its proposed total program budget to financial incentives than the other three IOUs. PG&E's energy and demand savings goals are correspondingly lower.

	Financial Incentives (\$)	Total Program Budget* (\$)	Incentive Percentage of Budget	Approved Budget	Incentive Percentage of Budget
Edison	3,817,000	6,257,774*	0.61		
PG&E	8,611,000	21,386,000	0.40	14,500,000	0.59
SDG&E	2,832,657	4,079,683*	0.69		
SoCalGas	2,000,560	3,207,548*	0.62		

*Includes budgeted funding from non-PGC sources generally for administrative costs such as pensions and benefits.

We do not have information to determine whether PG&E could have spent additional dollars on direct incentives and therefore will not impose higher energy savings goals on the utility. We will, however, reduce PG&E's Single-Family Rebate budget to \$14,500,000. By retaining the proposed energy, demand savings, and measure unit goals, this reduction will effectively make PG&E's administrative costs comparable to those of the other IOUs. In essence, PG&E will be required to reduce its administrative expenses by approximately \$7 million.

2. Multi-Family Energy Efficiency Rebate Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Residential
Approved Budgets by Service Territory	SoCalGas: \$1,657,310 SCE: \$2,000,000 SDG&E: \$1,867,000 <u>PG&E: \$3,200,000</u> Total: \$8,724,310

PROGRAM DESCRIPTION:

The Multi-Family Rebate program combines information, education, and energy management services that include targeted marketing and customer incentives to encourage property owners/managers to select energy efficient measures. The Multifamily Rebate program offers rebates for the following types of measures:

apartment improvements, common area improvements, mechanical improvements and high-efficiency heating and cooling equipment.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Hard-to-Reach Targets
PG&E	\$ 3,200,000	3,092,358	845	281,696	30% of Applications
SCE	\$2,000,000	3,989,157	314	NA	36% of Applications
SDG&E	\$1,867,000	2,687,523	353	368,153	93% of Applications
SCG*	\$1,657,310	1,695,044	1,863	755,503	29% of Applications
TOTAL	\$8,724,310	11,464,082	3,375	1,405,352	

*SCG's budget excludes \$40,690 in MA&E costs, which SCG mistakenly included in its budget proposal.

APPROVED PROGRAM MODIFICATIONS:

	2003 IOU Requested Budget	2002 Authorized Budget (2Q-4Q)	Approved 2003 Budget
PG&E	\$4,201,000	\$3,304,000	\$3,200,000
SCE	\$2,000,000	\$2,000,000	\$2,000,000
SCG	\$1,657,310	\$1,500,000	\$1,657,310
SDGE	\$1,867,000	\$1,500,000	\$1,867,000
Total	\$9,725,310	\$8,304,000	\$8,724,310

New Measures/Rebates

- Electric Water Heaters, R30 and R40 Reflector Lighting will be added to the list of measures eligible for incentives.
- Incentives for Energy Star® porch lights will be expanded to include all exterior fluorescent lighting applications.
- Two levels of clothes washer rebates will be offered, one for machines installed in tenant units and the other for coin-operated units in common areas.
- Two levels of incentives will be available for central system natural gas equipment controllers. The incentives for this measure will be based upon specific display features of the equipment and the number of tenant units served.

Retracted Measures

- Energy Star® 80% AFUE furnaces will be removed from the list of measures eligible for incentives due to low customer demand for the measure.

Increased Rebates

- Energy Star® programmable thermostats will be increased to \$50.00 (fifty dollars) per unit [from \$20.00 (twenty dollars) in PY2002.]
- High performance window rebates will be paid at twice the level in PY2002, \$1.00 (one dollar) per square foot.
- Compact Fluorescent Lamp (CFL) rebates will now be tiered to encourage the installation of higher savings CFLs.

Decreased Rebates

- Rebates for natural gas storage water heaters will be reduced to \$40.00 from their PY2002 level of \$50.00.

Addition of Reservation System

The IOUs propose a reservation system for PY2003 so that property owners and managers have assurance that money will be available by the time they have installed energy efficiency products. We agree that a reservation system will improve participant confidence that funds will be available when they finally submit completed incentive applications. We have two concerns about such a system: (1) no program participant should be able to reserve a large percentage of the available funding and (2) funds should not be tied up awaiting projects that are not completed, or take a very long time to complete. Accordingly, the IOUs shall limit reservations for a single program participant (including installing contractors and property management companies) to no more than 5% of the available statewide incentive budget. In addition, reservations of funding should expire within 90 days if installations are not complete and final claims for incentives submitted.

Reductions to PG&E's Administrative Budget

PG&E has allocated a significantly smaller proportion of its proposed total program budget to financial incentives than the other three IOUs. PG&E's energy and demand savings goals are correspondingly lower.

Proposed Budget Comparison

Multifamily Rebates		Total Program Budget*	Incentive Percentage of Budget	Approved Budget	Incentive Percentage of Budget
	Financial Incentives (\$)	(\$)			
Edison	1,474,000	2,069,948	0.71		
PG&E	2,165,800	4,201,000	0.52	3,200,000	0.68
SDG&E	1,474,259	1,911,522	0.77		
SoCalGas	1,137,660	1,804,658	0.63		

*Includes budgeted funding from non-PGC sources generally for administrative costs such as pensions and benefits.

We do not have information to determine whether PG&E could have spent additional dollars on direct incentives and therefore will not impose higher energy savings goals on the utility. We will, however, reduce PG&E's Multi-Family Rebate budget to \$3,200,000. By retaining the proposed energy, demand savings, and measure unit goals,

this reduction will effectively make PG&E's administrative costs comparable to those of the other IOUs since, in effect, PG&E will be required to reduce its administrative expenses.

3. Residential Appliance Recycling Program

IOU Service Territories	PG&E SCE SDG&E
Target Market Segment(s)	Residential electricity customers with operating but energy inefficient primary or secondary refrigerators or freezers, with an emphasis on HTR customers.
Approved Budgets by Service Territory	PG&E: \$2,090,000 SCE: \$6,000,000 <u>SDG&E: \$ 1,000,000</u> Total: <u>\$ 9,090,000</u>

PROGRAM DESCRIPTION:

The Statewide Residential Appliance Recycling Program (RARP) targets older, energy inefficient refrigerators and freezers for recycling and offers rebate (\$35 or a five-pack CFL) to customers in exchange for appliances that are in working condition at the time of pick up. The program will operate until the funds are spent, or until the end of the calendar year 2003, whichever comes first. Edison is statewide program administrator and conducts marketing in its service territory.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets (# of refrigerators/ # of freezers recycled)
PG&E	\$ 2,090,000	12,880,360	2,010	N/A	8,954/2,238
SCE	\$ 6,000,000	38,618,794	5,987	N/A	26,888/6,722
SDG&E	\$1,000,000	6,044,371	920	N/A	4,180/1,045
TOTAL	\$9,090,000	57,543,525	8,917	N/A	40,022/10,005

The adjustments to the NTGR for the 2003 program reduce energy savings targets. No changes are ordered to the budget.

APPROVED PROGRAM MODIFICATIONS:

The IOUs did not propose any changes to the program for 2003, although others did. We adopt the following program modifications:

- The program administrator (SCE) will issue a competitive RFP for the recycling services associated with the 2003 RARP.
- The Net to Gross Ratios (NTGR) used in the 2002 RARP (0.80) are to be replaced by previously used NTGR derived in CALMAC study #537 (0.53 for refrigerators and 0.57 for freezers). These lower ratios take into account more realistic energy savings on the basis of recent experience.
- The lower threshold of admissible refrigerators and freezers should be raised from 10 to 14 cubic feet. This change recognizes that large refrigerators are less energy efficient than smaller ones. Replacing smaller refrigerators and freezers could increase energy consumption if buyers purchase larger units.

4. Residential Retrofit Home Energy Efficiency Survey Program.

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Residential
Approved Budgets by Service Territory	SoCalGas: \$ 145,813 SCE: \$1,295,654 SDG&E: \$250,000 <u>PG&E: \$1,508,000</u> Total: \$ 3,199,457

PROGRAM DESCRIPTION:

Each IOU proposes to conduct mail and online surveys to assist consumers in improving energy use in their homes. At least 50% of the utilities' mail-in survey target will be sent to hard-to-reach customers.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
PG&E	\$1,508,000	N/A	N/A	N/A	29,000 mail-in surveys; 14,500 HTR mailing
SCE	\$1,295,654	N/A	N/A	N/A	18,000 mail-in surveys; 9,000 HTR mailing
SDG&E	\$250,000	N/A	N/A	N/A	8,000 mail-in surveys; 4,000 HTR mailing
SCG*	\$145,803	N/A	N/A	N/A	6,000 mail-in surveys; 3,000 HTR mailing
TOTAL	\$3,199,457	N/A	N/A	N/A	61,000 mail-in surveys; 30,500 HTR mailing

*SCG's budget excludes \$24,197 in MA&E costs, which SCG mistakenly included in its budget proposal.

APPROVED PROGRAM MODIFICATIONS:

We support the utilities' efforts to assist customers in determining how they might improve the energy efficiency of their homes. We require each to provide mailed and online surveys in Spanish. The IOUs should continue to send 50% of mail-in surveys to hard to reach customers.

5. California Energy Star® New Homes Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Builders of single- and multi-family housing units in the IOU service territories
Approved Budgets by Service Territory	SoCalGas: \$1,615,311 SCE: \$5,000,000 SDG&E: \$2,562,000 PG&E: \$10,259,000 Total: \$16,436,311

PROGRAM DESCRIPTION:

The program is comprised of incentives, technical support, design assistance, marketing and promotion, and building energy labeling to promote energy efficient construction

of new homes. Beginning in 2002, the IOUs implemented separate program components for the multi-family and single-family new home sectors.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets (# of courses; minimum # of students)
PG&E	\$ 10,259,000	1,811,520	1,958	997,920	9,600
Multi-family	\$3,035,400	498,240	547	669,600	3,600 (design assistance & incentives)
Single-family	\$7,223,600	1,313,280	1,411	669,600	6,000
SCE	\$ 5,000,000	4,139,200	4,382		6,000
Multi-family	\$750,000	143,200	154		1,000
Single-family	\$4,250,000	3,996,000	4,228		5,000
SDG&E	\$ 2,562,000	1,709,204	1,834.8	98,320	4,700
Multi-family	\$950,000	631,200	676.8	88,800	3000
Single-family	\$1,612,000	1,078,004	1,158	9,520	1,700
SCG*	\$1,615,311	1,036,682	1,111.58	145,845	4,927/multi-family focus
TOTAL	\$19,436,311	8,696,606	9,286.38	1,242,085	25,227 (single- & multi-family)

*SCG's budget excludes \$64,689 in MA&E costs, which SCG mistakenly included in its budget proposal.

APPROVED PROGRAM MODIFIC

The utilities propose to add a multi-family builder design assistance option and to provide verification assistance to builders through the CHEERS program. This appears a reasonable way to increase participation by multi-family builders and we approve this program design change.

The utilities also propose to eliminate the two-tiered incentive system in favor of a single incentive paid to builders who construct buildings that are 15% more efficient than Title 24 standards. By eliminating the higher 20% performance threshold, the utilities hope to increase builder participation and conform the program to the EPA's Energy Star program.

Proposed modifications to this program are designed to improve program participation and recognize that the higher incentives may have led to early subscription of the program in some cases. However, the proposed change creates the potential for "lost opportunities" associated with elimination of the second tier option. In order to encourage wider-scale participation at the 15% level and retain the reward for yet higher energy savings at the 20% level, we reject the utilities proposed modifications

but permit the utilities to set aside 15% of their program incentive funds for those participants meeting the 20% level.

6. Standard Performance Contract (SPC) Program

IOU Service Territories	SCE SDG&E PG&E
Target Market Segment(s)	Large Commercial, Industrial, and Agricultural Customers with loads above 500 kW (available to smaller businesses if their measure are not covered under the Express Efficiency Program)
Approved Budgets by Service Territory	SCE: \$ 13,700,000 SDG&E: \$ 5,760,000 <u>PG&E: \$22,957,000</u> Total: \$ 42,417,000

PROGRAM DESCRIPTION:

The SPC program is designed to achieve energy savings in commercial, industrial and agricultural facilities with demand exceeding 500 kW through custom-designed energy savings retrofits. Small businesses may also participate if their energy efficiency measures do not qualify for the Express Efficiency program. Utilities provide information services, financial incentives, technical support and networking as part of this program. The Commission requires that at least 70% of SPC funds be used for incentives for more difficult to reach installations of non-lighting measures.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	
PG&E	\$22,957,000	64,160,286	7,694	2,685,333	
SCE	\$13,700,000	71,656,875	14,724		
SDG&E	\$ 5,760,000	15,831,723	1,972	257,876	
SCG	N/A	N/A	N/A	N/A	
TOTAL	\$42,417,000	151,648,884	24,390	2,943,209	

APPROVED PROGRAM MODIFICATIONS:

- D.01-11-066 emphasized the need for IOUs to promote not only lighting, but non-lighting measures in SPC especially for large and medium size customers who often have the financing and incentive to implement cost-effective lighting projects on their own. In line with this, in D.02-03-056 the Commission adopted SCE's approach of limiting participation in the SPC program to projects with no more than 20% (referred to as the "80-20 rule") of lighting measures. In their 2003 SPC program submissions, the IOUs propose to modify the 80-20 rule to include all fluorescent lamps except for the installation of "leading edge" T-5 and PL lamps. The IOUs point out that they will nevertheless offer no more than 30% of incentives for lighting projects, consistent with current rules.

Even "leading edge" lighting projects are often cost-effective and able to be financed by large and medium sized customers. Yet, in some cases, the relaxing of the rule may result in significant savings for business and institutions that do not currently qualify for other programs (e.g., large high-schools and middle-schools with loads over 500 kW), and for some harder to reach customers. We authorize the proposed modification but expect the utilities to aggressively market non-lighting measures.

- The utilities propose to increase gas incentives from \$.45/therm to \$.60/therm to increase program participation. We grant this request, consistent with our overall goal to increase participation in cost-effective energy efficiency programs.

7. Express Efficiency Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Small and Medium sized customers with loads that do not exceed 500 kW/month or 250,000 therms/year
Approved Budgets by Service Territory	SoCalGas: \$ 3,182,410 SCE: \$7,000,000 SDG&E: \$ 3,364,000 PG&E: \$12,345,000 Total: \$ 25,891,410

PROGRAM DESCRIPTION:

The Express Efficiency program pays small- to medium-sized nonresidential customers to equip facilities with selected energy efficiency measures. The program applies to customers with monthly loads of less than 500 kW, and whose annual gas usage does not exceed 250,000 therms. Among the technologies to which incentives apply are T8 and/or T5 lamps, electronic ballasts, lighting controls such as photocell controllers and occupancy sensors, air conditioning equipment and controls, compact fluorescent lamps

(CFLs), high-efficiency motors, efficient refrigeration equipment, HVAC upgrades, and other measures.

The program is designed to provide useful information, promote the installation of best technologies, provide financing, and overcome barriers such as split incentives between building owners and renters.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets HTR Targets
PG&E	\$12,345,000	137,000,000	25,000	1,600,000	41 percent
SCE	\$ 7,000,000	71,869,000	15,000	N/A	47 percent
SDG&E	\$ 3,364,000	51,363,655	9,722	608,596	59 percent
SCG	\$ 3,182,410	17,068	N/A	2,162,482	42 percent
TOTAL	\$25,891,410	260,249,741	49,722	4,371,078	

*SCG's budget excludes \$72,590 in MA&E costs, which SCG mistakenly included in its budget proposal.

APPROVED PROGRAM MODIFICATIONS:

Because many of the customers to whom this program is offered are hard-to-reach, the program is limited to customers with a total aggregate account load (by a single owner) of less than 500 kW. This "Account Aggregation Rule" was imposed to ensure that funds are targeted to smaller, harder to reach small businesses that most often do not have the technical or financial resources available to larger, single-owner chain store customers whose load per building may be less than 500 kW, but whose overall aggregate account load exceeds the 500 kW limit.

In 2003 the utilities propose to replace the "Account Aggregation Rule" with a program eligibility limit of 500 kW per site. They argue that the account aggregation rule was difficult for customers to understand in 2002, and "created a significant barrier for eligible and non-eligible customers alike." SCE, SDG&E and SCG would address the possibility that hard-to-reach small business may be disadvantaged by participation by large chain stores by limiting incentives to any single corporation or chain account customer to \$25,000.

For whatever reasons, some utilities have not met Express Efficiency program goals in 2002. SCE, SDG&E, and SCG's proposed modification is designed to improve energy savings while balancing our concerns that this program target smaller customers. We adopt the utility proposal to permit incentives of up to \$25,000 per corporation or chain

account customer for work done at sites with loads not exceeding 500 kW. This proposal would apply to all utilities.

8. Nonresidential Energy Audit Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Nonresidential
Approved Budgets by Service Territory	SoCalGas: \$2,665,150 SCE: \$2,200,000 SDG&E: \$871,000 PG&E: \$4,550,000 Total: \$10,286,150

PROGRAM DESCRIPTION:

The Nonresidential Energy Audits program offers free energy audits to nonresidential customers. The energy audit describes specific ways to reduce utility bills considering the customer's billing history and other customer-specific information onequipment and building characteristics.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Targeted Number of Audits Proposed	Approved Number of Audits Targeted
PG&E	\$4,550,000	NA	NA	NA	6500 {including 3500 HTR}	7,765 {3500 of those HTR}
SCE	\$2,200,000	NA	NA	NA	7100 {including 2840 HTR}	7100 {including 2840 HTR}
SDG&E	\$871,000	NA	NA	NA	5000 {including 800 HTR}	5000 {including 800 HTR}
SCG*	\$2,665,150	NA	NA	NA	4000 {including 400 HTR}	6,680 {including 400 HTR}
TOTAL		NA	NA	NA		

*SCG budget mistakenly included \$51,850 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

There were no program changes proposed by the IOUs for PY2003.

There are sizable discrepancies between the costs per audit proposed by the four utilities as illustrated by the following table:

	Budget for Actual Audits (\$)	Total Program Budget* (\$)	Audit Percentage of Budget	Proposed # of Audits	Cost per Audit (\$)
Edison	1,287,540	3,471,050*	0.37	7100	489
PG&E	1,832,000	4,550,000	0.40	6500	700
SDG&E	418,802	883,561*	0.47	5000	177
SoCalGas	842,270	3,914,593*	0.22	4000	979
Average Cost per Audit (mean)					586

*Includes budgeted funding from non-PGC sources generally for administrative costs such as pensions and benefits.

Because this is a Statewide Program, the audits provided should be comparable across service territories. As that is the case, it is unclear why an audit should cost substantially higher for SoCalGas and PG&E than for SCE and SDG&E. We increase the number of audits that PG&E and SoCalGas must accomplish so that the cost per audit will equal the average of all four utilities, \$586.

9. Building Operator Certification and Training Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Operators of medium and large commercial buildings, including governmental and institutional buildings and complexes
Approved Budgets by Service Territory	SoCalGas: \$ 142,099 SCE: \$500,000 SDG&E: \$150,000 PG&E: \$301,000 Total: \$ 1,093,099

PROGRAM DESCRIPTION:

Building operator certification and training programs educate operators of large and medium sized commercial buildings, including public buildings, on short- and long-term peak demand and energy savings strategies for their buildings. After participating in training activities, individual building operators become certified as efficient building service providers. This credential contributes to the employee's value to the company and provides a professional benefit to the employee.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets (# of courses; minimum # of students)
PG&E	\$ 301,000	N/A	N/A	N/A	3c/60 stud.
SCE	\$ 500,000	N/A	N/A	N/A	5c/100 stud.
SDG&E	\$ 150,000	N/A	N/A	N/A	1c/20 stud.
SCG	\$ 142,099	N/A	N/A	N/A	1 c/20 stud.
TOTAL	\$1,093,099	N/A	N/A	N/A	10c/200 stud.

*SCG budget mistakenly included \$7,901 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

The utilities offered Level I of the program in 2002. For 2003, the utilities propose to work with the program contractor to develop Level II, which would focus on enhanced energy savings strategies for building operators. The Commission fully supports this effort and encourages the utilities to explore other ways that the program might be enhanced to facilitate increase energy savings.

10. Savings By Design Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Nonresidential – New Construction
Approved Budgets by Service Territory	SoCalGas: \$2,156,966 SCE: \$8,900,000 SDG&E: \$3,912,000 PG&E: \$14,296,000 Total: \$29,264,966

PROGRAM DESCRIPTION:

Savings By Design (SBD) encourages nonresidential building owners, tenants and design teams to exceed current Title 24 energy efficiency standards (or established standards for industrial and specialty processes) by 10% or more for their new construction or renovation/remodeling projects.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Hard-to-Reach Targets for Participation of non-Chain Accounts
PG&E	\$14,296,000	48,000,000	17,278	380,000	30%
SCE	\$8,900,000	42,812,895	7,818	NA	7.8%
SDG&E	\$ 3,912,000	14,980,303	2,891	196,083	6%
SCG*	\$2,156,966	8,554,703	1,651	111,976	30%
TOTAL	\$29,264,966	114,347,901	29,638	688,059	NA

*SCG budget mistakenly included \$74,034 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

The State of California Energy Policy Advisory Committee, the American Institute of Architects and other program participants recommended that the IOUs increase the time allowed for completion of a project from 36 months to 48 months to recognize the time needed to complete a construction project. We accept this program modification.

11. Upstream Residential Lighting Program

IOU Service Territories	SCE SDG&E PG&E
Target Market Segment(s)	Nonresidential - retailers and manufacturers
Approved Budgets by Service Territory	SCE: \$2,000,000 SDG&E: \$1,920,000 PG&E: \$9,983,000 Total: \$13,903,000

PROGRAM DESCRIPTION:

This program provides incentives to retailers and manufacturers for offering utility customers point-of-sale discounts on qualified lighting products from participating retailers. The program also offers funding for manufacturers to discount wholesale prices to retailers for products not included in the utilities' point-of-sale rebates.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Hard-to-Reach Targets
PG&E	\$9,983,000	210,309,440	26,078	15% of program incentive budgets to retailers in hard-to-reach areas; 10% of program incentive budgets to grocery and drug stores
SCE	\$2,000,000	34,985,185	4,913	
SDG&E	\$1,920,000	28,149,611	3,981	
TOTAL	\$13,903,000	273,444,236	34,972	

APPROVED PROGRAM MODIFICATIONS:

For 2003, the IOUs propose to offer tiered incentives for Energy Star CFLs and fixtures as follows:

	2002	2003
ENERGY STAR [®] CFL 19 watts or less	\$2	\$1
ENERGY STAR [®] CFL 20 watts or greater	\$2	\$2
ENERGY STAR [®] Int./ or Ext. fixture 19 watts or less	\$10	\$5
ENERGY STAR [®] Int./ or Ext. fixture 20 watts or greater	\$10	\$10
ENERGY STAR [®] Torchiere < 65 watts	\$10	\$5
ENERGY STAR [®] Torchiere > 65 watts	\$10	\$10
ENERGY STAR [®] Ceiling fan with ENERGY STAR [®] Light kit	\$20	\$20

The utilities propose reducing the incentives for lower wattage units because wholesale pricing for the lower wattage units has become more competitive. The utilities expect that tiered rebates will improve program participation and energy savings. We find the IOUs' proposed tiered rebates reasonable and approve them. As in 2002, the utilities must increase the quantity of products provided to non-traditional delivery channels such as grocery stores, drug stores, and outlets in remote locations. We will again require that at least 15% of the rebate budget be reserved for customers in rural areas, and at least 10% of the rebate funds be reserved for redemption through purchases from new delivery channels of grocery and drug stores.

12. Education and Training Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Crosscutting
Approved Budgets by Service Territory	SoCalGas: \$ 1,884,310 SCE: \$ 4,700,000 SDG&E: \$1,369,000 PG&E: \$1,402,966 Total: \$ 9,356,276

PROGRAM DESCRIPTION:

The Statewide Energy Efficiency Education and Training program is offered by PG&E, SCE, SDG&E, and SCG. This program educates contractors, architects and designers, residential developers and builders, manufacturers, commercial users, environmental organizations, agricultural users, and others on ways to improve energy efficiency.

The program promotes energy efficiency to a variety of customer segments through energy centers and other informational forums.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
PG&E	\$ 1,402,966	N/A	N/A	N/A	See Plan
SCE	\$ 5,750,000	N/A	N/A	N/A	See Plan
SDG&E	\$ 1,369,000	N/A	N/A	N/A	See Plan
SCG	\$ 1,909,000	N/A	N/A	N/A	See Plan
TOTAL	\$ 10,430,966	N/A	N/A	N/A	N/A

APPROVED PROGRAM MODIFICATIONS:

There are no modifications to this program. SCE's budget proposal for 2003 is not justified in light of its low expenditures in 2002. The Commission will authorize SCE's budget for 2003 based on its annualized 2002 reported expenditures.

13. Crosscutting Codes and Standards Advocacy Program

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	Crosscutting
Approved Budgets by Service Territory	SoCalGas: \$ 137,061 SCE: \$1,150,000 SDG&E: \$100,000 <u>PG&E: \$1,386,000</u> Total: \$ 2,773,061

PROGRAM DESCRIPTION:

The Statewide Codes and Standards Advocacy Program advocate upgrades and enhancements in energy efficiency standards and codes in the Building Energy Efficiency Standards, California Code of Regulations, Title 24, Part 6, and the Appliance Energy Efficiency Standards, Title 20.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
PG&E	\$1,386,000	N/A	N/A	N/A	See Plan
SCE	\$1,150,000	N/A	N/A	N/A	See Plan
SDG&E	\$ 100,000	N/A	N/A	N/A	See Plan
SCG	\$ 137,061	N/A	N/A	N/A	See Plan
TOTAL	\$2,773,061	N/A	N/A	N/A	N/A

*SCG budget mistakenly included \$12,939 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

There are no program changes proposed or adopted for 2003.

14. Emerging Technologies – Nos. 409–03

IOU Service Territories	SoCalGas SCE SDG&E PG&E
Target Market Segment(s)	All
Approved Budgets by Service Territory	SoCalGas: \$ 769,124 SCE: \$850,000 SDG&E: \$125,500 PG&E: \$457,500 Total: \$2,202,124

PROGRAM DESCRIPTION:

Emerging Technologies program provides information to accelerate the introduction of energy efficiency technologies, applications, and analytical tools that are not widely adopted in California. Large commercial players (architects and designers, builders and contractors) do not typically install new energy efficient technology without external promotional efforts and training. Funding goes mainly to the Emerging Technologies Coordinating Council, comprised of the four large utilities and the California Energy Commission.

PROGRAM BUDGETS AND TARGETS:

	Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
PG&E	\$457,500	N/A	N/A	N/A	See Plan
SCE	\$850,000	N/A	N/A	N/A	See Plan
SDG&E	\$125,500	N/A	N/A	N/A	See Plan
SCG	\$769,124	N/A	N/A	N/A	See Plan
TOTAL	\$2,202,124	N/A	N/A	N/A	N/A

*SCG budget mistakenly included \$9,876 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

	2003 IOU Requested Budget	Approved 2003 Budget
PG&E	\$1,143,966	\$457,500
SCE	\$850,000	\$850,000
SCG	\$769,124	\$769,124

SDGE	\$200,000	\$125,500
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For 2003, IOUs proposed no significant program changes. PG&E's and SDG&E's budget proposals for 2003 are not justified in light of their low expenditures in 2002. The Commission will authorize PG&E and SDG&E budgets for 2003 that equal their annualized 2002 budgets.

2003 IOU LOCAL PROGRAMS

1. Pacific Gas and Electric Company (PG&E) - Energenius

Target Market Segment(s)	Teachers, students and student's parents of K1-8 grade schools in PG&E service territory
IOU Service Territory	PG&E
Approved Budget	\$514,000

PROGRAM DESCRIPTION:

This program educates 1st through 8th grade students and their parents on energy efficiency and electric and gas safety using five Energenius Educational Series curricula. Each series provides a teacher curriculum guide and student activities. Participating students assess their energy savings opportunities using a Home Energy Survey and then discuss recommendations with their parents. It offers an alternative means of communicating information to non-English speaking parents.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets: County Office of Education visits	Other Targets: Student packets mailed (2000 to HTR areas)	Other Targets: HTR student participation	Other Targets: Advertisements in School Publications
\$514,000	N/A	N/A	N/A	10	30,000	10,000	2

APPROVED PROGRAM MODIFICATIONS:

The 2003 program is approved as proposed.

2. Pacific Gas and Electric Company (PG&E) - School Resources Program

Target Market Segment(s)	Cross-cutting; rural area K-12 school districts outside the San Francisco Bay Area and school districts within residential areas containing significant number of non-English speaking residents
IOU Service Territory	PG&E
Approved Budget	\$1,028,000

PROGRAM DESCRIPTION:

This is an information/education program that provides participating school districts with a broad array of services including:

- Energy Star benchmarking of existing facilities
- Detailed energy audits
- Assistance in developing a retrofit project implementation plan
- Assistance in identifying and accessing financing
- Delivery of a variety of educational workshops for students and school staff.

The program is managed to build on work in other utility programs and those run by other entities such as PG&E's Energenius Program, the DOE Rebuild America, EPA Energy Star, and other Commission educational programs.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets: Workshops (5-7 "Teacher" workshops in HTR areas/2 "financial" workshops in HTR areas)	Other Targets: Bench-marking	Other Targets: Energy Audits	Other Targets: Resource Conserv. Manager (2 in HTR areas)
\$1,028,000	N/A	N/A	N/A	12	5	2*	3

APPROVED PROGRAM MODIFICATIONS:

The 2003 program is approved as proposed.

3. Pacific Gas and Electric Company (PG&E) - Pacific Energy Center

Target Market Segment(s)	Local crosscutting
IOU Service Territory	PG&E
Approved Budget	\$3,120,000

PROGRAM DESCRIPTION:

PG&E's Pacific Energy Center (PEC) provides information and assistance to architectural and engineering design professionals, building owners, operators, academics, government professionals and environmental advocates. The PEC provides technical workshops, educational programs, lectures by industry leaders, an energy resource center/library, on-site consulting, and a building performance diagnostics. The PEC supports the technical and educational efforts of Express Efficiency, Savings by Design and other statewide programs.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$3,120,000	N/A	N/A	N/A	See Plan

APPROVED PROGRAM MODIFICATIONS:

For 2003, PG&E proposes to increase funding to assist city and county governments with upcoming changes in Title 24 codes and standards, local program augmentation, local model-code development, and training of code officials. However, the utility reported low expenditures in 2002 and does not justify higher spending on the basis of significant program changes. Therefore, the 2003 budget for this program equals the annualized amount approved for 2002.

4. Southern California Edison (SCE) - Residential In-Home Energy Survey Program

Target Market Segment(s)	Residential, particularly HTR
IOU Service Territory	SCE
Approved Budget	\$750,000

PROGRAM DESCRIPTION:

This local program provides energy surveys particularly for residential hard-to-reach customers in person.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$750,000	N/A	N/A	N/A	4,500 surveys, (50% are from HTR customers)

APPROVED PROGRAM MODIFICATIONS:

SCE proposes to expand its marketing effort to include the entire population of hard-to-reach customers as defined in the Energy Efficiency Policy Manual, consistent with Commission policy.

5. Southern California Edison (SCE) - Small Nonresidential Hard-to-Reach Program

Target Market Segment(s)	Nonresidential, particularly HTR
IOU Service Territory	SCE
Approved Budget	\$1,400,000

PROGRAM DESCRIPTION:

The program provides no-cost energy-efficient lighting retrofits to very small business customers (with demand under 20 kW) in hard-to-reach rural areas of SCE's territory. Lighting installation contractors audit customer lighting systems and explain the energy savings that could result from a retrofit. They also provide general energy efficiency information.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$1,400,000	5,216,208	1,134	N/A	5,000 in-language brochures

APPROVED PROGRAM MODIFICATIONS:

SCE proposes to use a new program introduction script to inform potential participants about the program, which we find reasonable. SCE should specify a target number of customers served under the program in SCE's next quarterly report.

6. Southern California Edison (SCE) - Pump Test and Hydraulic Services

Target Market Segment(s)	Large-Small Nonresidential (agricultural and local water districts)
IOU Service Territory	SCE
Approved Budget	\$1,350,000

PROGRAM DESCRIPTION:

This program provides information and management services to customers with pumping accounts. It promotes awareness of energy efficiency and its benefits to

agricultural businesses, water districts and other high volume users of water. It offers a review of system operations, and provides information on rebate programs offered by the utilities and private and state agencies. Under the program, SCE technicians perform pump tests performed using standards set forth by the American Water Works Association.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$1,350,000	N/A	N/A	N/A	3,200 pump tests

APPROVED PROGRAM MODIFICATIONS:

In 2003, SCE proposes to fund the information service activities through the Education and Training Program, which already provides similar services to agricultural and water customers. This shift in funding results in a lower per unit costs for pump tests, which translates into a higher target despite a lower budget for direct implementation costs. SCE's proposed budget and pump test target are approved. SCE should indicate its target number of customer contacts for 2003 in its quarterly reports.

7. Southern California Edison (SCE) - Local Crosscutting Demonstration and Information Transfer

Target Market Segment(s)	All
IOU Service Territory	SCE
Approved Budget	\$500,000

PROGRAM DESCRIPTION:

This information program seeks to accelerate the introduction of energy efficient technologies, applications, and analytical tools that are not widely adopted in SCE 's service territory. Demonstration projects provide design, performance, and verification of novel energy efficient systems.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$500,000	N/A	N/A	N/A	See Plan

APPROVED PROGRAM MODIFICATIONS:

For 2003, SCE proposed no program changes

8. Southern California Edison (SCE) - Local Government Initiative Program

Target Market Segment(s)	Crosscutting
IOU Service Territory	SCE
Approved Budget	\$950,000

PROGRAM DESCRIPTION:

This program educates and informs community leaders, local government planners, building officials, builders, apartment/building owners, small business owners, and consumers about the economic benefits of energy efficiency in the areas of residential and nonresidential new construction, and small business. The program is designed to help local government build self-sustaining energy efficiency partnerships with their constituents. It has four components:

- **Community Energy Efficiency Partnership (CEEP):** SCE works with the Building Industry Institute to motivate builders to commit to build homes that exceed Title 24 standards by at least 15%.
- **CheckPoint:** SCE works with local governments to motivate small business owners to use energy efficient equipment by providing information and incentives during the permitting process.
- **Small Business:** SCE provides energy efficiency rebate information and outreach to targeted local jurisdictions, linking small business owners to the Express Efficiency program.
- **Multi-Family:** This component is new for 2003, designed to offer rebates on several energy efficiency measures.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$950,000	N/A	N/A	N/A	16 new jurisdictions, 12 of the 16 in hard-to-reach target areas

APPROVED PROGRAM MODIFICATIONS:

SCE proposes to target 16 new jurisdictions for 2003 with a high priority placed on those jurisdictions with notable building activity and/or containing zip codes in the hard-to-reach target areas. SCE will expand the program to include information and outreach on components of the Multi-Family Program in order to leverage the relationship the cities have with Homeowner Associations and building owners. We

approve SCE's plans for this program in 2003. We hold SCE to its target of 16 new local jurisdictions added to the program in 2003, 12 of which are in hard-to-reach areas.

9. Southern California Edison (SCE) - Codes and Standards

Target Market Segment(s)	Crosscutting
IOU Service Territory	SCE
Approved Budget	\$66,700

PROGRAM DESCRIPTION:

This local program helps in the design of cost-effective changes to the State's energy related codes and standards. It provides information to local officials, contractors, consultants, and other groups that use and administer energy codes.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$66,700	N/A	N/A	N/A	2 Training workshops

APPROVED PROGRAM MODIFICATIONS:

For 2003, SCE proposes no program changes. SCE failed to demonstrate a necessity for the increase in budget for 2003. Therefore, we will authorize a budget of \$66,700 for SCE in 2003, based on the program's annualized budget in 2002.

10. Southern California Gas Company (SoCalGas) - Nonresidential Financial Incentives

Target Market Segment(s)	Nonresidential Retrofit
IOU Service Territory	SoCalGas
Approved Budget	\$ 1,053,740

PROGRAM DESCRIPTION:

This is an incentive program for agricultural, commercial and industrial manufacturing facilities using less than 250,000 therms annually. The program has three components:

- "Purchase-Apply-Receive Rebate" - Rebates are provided to customers who install one or more identified energy efficiency products
- "Nonresidential Equipment Replacement" - Customers receive rebates for replacing inefficient gas-fired technology with higher efficiency alternatives
- "Nonresidential Energy Conservation" - Qualified customers receive incentives to improve the commercial building envelope or industrial processes

All three components target early replacement of old, inefficient gas-fired equipment used in the nonresidential market segment.

PROGRAM BUDGET AND TARGETS:

Program Budget*	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$ 1,053,740	NA	NA	1,453,639	See Plan

*SCG budget mistakenly included \$ 67,260.00 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

SoCalGas proposes no program changes for PY2003 from the program that was approved for PY2002.

11. Southern California Gas Company (SoCalGas) - Diverse Markets Outreach

Target Market Segment(s)	Crosscutting
IOU Service Territory	SoCalGas
Approved Budget	\$ 1,148,680

PROGRAM DESCRIPTION:

This program targets hard-to-reach residential and commercial customers and provides them with information on ways to conserve energy and access other energy conservation resources. The IOUs assert that the program promotes both utility and non-utility programs, and connects customers with financing and funding resources and non-utility Internet resources.

PROGRAM BUDGET AND TARGETS:

Program Budget*	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$ 1,148,680	NA	NA	NA	See Plan

*SCG budget mistakenly included \$ 73,320.00 in MA&E costs, which have been subtracted from the program specific budget.

APPROVED PROGRAM MODIFICATIONS:

SoCalGas proposes no program changes for PY2003 except to expand its outreach into African-American and Latino communities.

12. San Diego Gas & Electric Company (SDG&E) – Hard-To-Reach Lighting Turn-In

Target Market Segment(s)	Residential
IOU Service Territory	SDG&E
Approved Budget	\$539,000

PROGRAM DESCRIPTION:

This program provides incentives to hard-to-reach residential customers by participation in events at hospitals, churches, senior centers, and other community events. Consumers receive a free energy efficient compact fluorescent lamp bulb or torchiere fixture in exchange for an inefficient bulb or torchiere fixture. This program has also worked with “Meals on Wheels” to provide this offer to consumers who are unable to attend local events.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$539,000	2,850,295	448	NA	See plan

APPROVED PROGRAM MODIFICATIONS:

SDG&E intends to conduct larger events in the hope of improving participation at a lower cost.

13. San Diego Gas & Electric Company (SDG&E) - In-Home Audits

Target Market Segment(s)	Residential, hard-to-reach customers
IOU Service Territory	SDG&E
Approved Budget	\$187,000

PROGRAM DESCRIPTION:

This program provides in-person, energy audits to hard-to-reach residential customers, who would otherwise not participate in online or mail-in audits on their own. Customers who participate in the audit receive a free compact fluorescent lamp bulb and receive information on energy programs.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets: Hard-to-Reach Customer Audits
\$187,000	N/A	N/A	N/A	40 percent

APPROVED PROGRAM MODIFICATIONS:

SDG&E needs to specify targets for its 2003 proposal. These should include: (a) the projected number of audits to be completed in 2003; (b) the projected number of participants who may agree to participate in other SDG&E energy efficiency programs because of their participation in the audit program, and; (c) the percentage of customers receiving the audit who may subsequently implement the energy efficiency measures suggested in the audit.

14. San Diego Gas & Electric Company (SDG&E) - Small Business Energy Assessments Program

Target Market Segment(s)	Non-residential/Small Businesses below 20 kW
IOU Service Territory	SDG&E
Approved Budget	\$519,000

PROGRAM DESCRIPTION:

This provides energy audits and no cost/low cost energy efficiency services to small business customers. This program targets traditionally hard-to-reach small businesses in non-English speaking, and low-income areas. On-site audit results provide recommendations for energy efficient improvements and provide EZ Turnkey rebates for installed efficiency measures.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets: Energy Audits to HTR Customers
\$519,000	n/a	n/a	n/a	950

APPROVED PROGRAM MODIFICATIONS:

The 2003 program is approved as proposed.

15. San Diego Gas & Electric Company (SDG&E) - Nonresidential EZ Turnkey Program

Target Market Segment(s)	Non-Residential/Small Businesses with loads up to 100KW
IOU Service Territory	SDG&E
Approved Budget	\$1,120,000

PROGRAM DESCRIPTION:

This program provides free energy efficiency measures to small hard-to-reach business customers that have completed an energy audit through SDG&E's Small Business Assessment Program. Measures include lighting, heating, ventilation, air conditioning, and windows. SDG&E works with subcontractors to install the measures and inspects at least 20% of the installations to ensure quality control.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)
\$1,120,000	3,296,099	624	

APPROVED PROGRAM MODIFICATIONS:

The 2003 program is approved as proposed. SDG&E proposes to improve participation by coordinating with other audit and incentive programs.

16. San Diego Gas & Electric Company (SDG&E) - Local Cross-Cutting Energy Code Training Program

Target Market Segment(s)	Crosscutting
IOU Service Territory	SDG&E
Approved Budget	\$160,000

PROGRAM DESCRIPTION:

This program provides training to builders of new affordable housing and non-profit builders. This training provides information about new energy efficiency technologies and Title 24 code revisions throughout SDG&E's service territory.

PROGRAM BUDGET AND TARGETS:

Program Budget	Energy Reduction Targets (kWh)	Demand Reduction Targets (kW)	Energy Reduction Targets (Therms)	Other Targets
\$160,000	N/A	N/A	N/A	Up to 50 training classes will be offered by 12/31/03

APPROVED PROGRAM MODIFICATIONS:

SDG&E proposes to reduce its 2003 budget from \$200,000 to \$160,000 because of its success in this program. For 2003, SDG&E proposes to provide an additional class that focuses on the correct and proper design and installation of air conditioning. We support SDG&E's efforts to add classes while reducing program cost.

(END OF ATTACHMENT 2)